Introduced by Senator Runner

February 15, 2008

An act to add Part 8 (commencing with Section 1179.120) to Division 1 of Section 1253.5 to the Health and Safety Code, relating to health facility financing facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1260, as amended, Runner. Health clinics. Hospital licensing. Existing law provides for the licensure of health facilities, including general acute care hospitals, acute psychiatric hospitals, and special hospitals, as defined, by the State Department of Public Health.

This bill would require that, upon the issuance or renewal of a general acute care, acute psychiatric, or special hospital license, the department separately identify on the license each supplemental service, including all outpatient services and the nature of services provided at each outpatient location.

Existing law provides for the licensure of primary care clinics, which include community clinics and a free clinics, and specialty clinics by the State Department of Public Health. Existing law defines a community clinic as a clinic operated by a tax-exempt nonprofit corporation that is supported and maintained in whole or in part by donations, bequests, gifts, grants, government funds, or contributions, Existing law defines a free clinic as a clinic operated by a tax-exempt, nonprofit corporation supported in whole or in part by voluntary donations, bequests, gifts, grants, government funds, or contributions. Existing law excludes from these licensure provisions clinics conducted, operated, or maintained as an outpatient department of a hospital.

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Existing law requires the State Department of Health Care Services to select licensed primary care clinics and clinics conducted, maintained, or operated by a federally recognized Indian tribe or tribal organization to be reimbursed for delivering medical services to defined program beneficiaries.

This bill would require a clinic that is conducted, operated, or maintained as an outpatient department of a hospital to be considered a primary care clinic for purposes of determining eligibility for the above-described reimbursement provisions.

This bill would also require any private person or entity that makes private financing or grants available to licensed primary care clinics to accept applications for financing or grants from any clinic conducted, operated, or maintained as an outpatient department of a hospital.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1253.5 is added to the Health and Safety 2 Code, to read:

1253.5. The State Department of Public Health, upon issuance and renewal of a license for a general acute care hospital as defined in subdivision (a) of Section 1250, an acute psychiatric hospital as defined in subdivision (b) of Section 1250, or a special hospital as defined in subdivision (f) of Section 1250, shall separately identify on the license each supplemental service, including all outpatient services and the nature of services provided at each outpatient location.

SECTION 1. It is the intent of the Legislature to do all of the following:

- (a) Increase public awareness of hospital-based clinics.
- (b) Encourage better use of existing resources.
 - (c) Integrate a unified clinic health delivery system.

SEC. 2. Part 8 (commencing with Section 1179.120) is added to Division 1 of the Health and Safety Code, to read:

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PART 8. HOSPITAL BASED CLINICS

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1179.120 Notwithstanding any other provision of law, a clinic, as defined in Section 1200, that is conducted, operated, or

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maintained as an outpatient department of a hospital shall be considered a primary care clinic for purposes of determining eligibility for funds or grants made pursuant to Chapter 7 (commencing with Section 124875) of Part 4 of Division 106.

 1179.121. Any private person or entity that makes private financing or grants available to primary care clinics licensed pursuant to Section 1204 shall accept applications for financing or grants from any clinic conducted, operated, or maintained as an outpatient department of a hospital. This section shall not be construed to require financing or grants to be made to a clinic conducted, operated, or maintained as an outpatient department of a hospital.